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March 17, 2009

AGENDA ITEM 4b

TO: MEMBERS OF THE HEALTH BENEFITS COMMITTEE

- I. SUBJECT:** 2009-10 Proposed Health Policy Priorities for State Legislation Pursuant to Strategic Plan
- II. PROGRAM:** Legislation
- III. RECOMMENDATION:** Staff recommends that the Board:
1. Adopt the attached Health Policy Priorities for state legislation pursuant to the strategic plan for 2009-10.
 2. Direct staff to monitor state legislative proposals based on these priorities, and to seek opportunities to advance the identified goals.
- IV. ANALYSIS:**

Attachment 1 contains the health policy priorities recommended by staff for the 2009-10 state legislative session. Adoption of these legislative priorities will provide the Office of Governmental Affairs with direction for identifying and focusing its efforts - on those issues having the greatest impact on the strategic direction of the CalPERS Health Benefits Program.

The suggested priorities (Attachment 1) are the same as those adopted by the Board for the 2007-08 legislative session with the addition of several, new recommendations related to Health Information Technology and the CalPERS risk pool.

Background

Each year there is a broad variety of state legislation which impacts health insurance and health providers. Since CalPERS is the largest public employee purchaser of health insurance in California, and our members represent a significant number of health care consumers, much of this legislation may impact CalPERS to some degree.

The Board has adopted Legislative Policy Standards (Attachment 2) to fulfill the CalPERS mission, which provide a general framework for staff to work on legislation. These policy standards, however, are general in nature and are not designed to address specific health care issues. Therefore, in addition to the Legislative Policy Standards, the Board adopts Health Policy Priorities for state legislation based on the CalPERS strategic plan.

Staff based the proposed legislative priorities on the underlying objectives of CalPERS' three strategic goals (Attachment 3) related to the health program. These are: (1) develop and administer quality, sustainable health benefit programs that are responsive to, and valued by, enrollees and employers; (2) promote the ability of members and employers to make informed decisions resulting in improved lifestyle choices and health outcomes; (3) engage and influence the health care marketplace to provide medical care that optimizes quality, access, and cost.

The recommended state legislative priorities will assist in defining CalPERS' role in broad, healthcare insurance, coverage, and delivery issues. The priorities are consistent with and expand upon the Board's existing Legislative Policy Standards.

Therefore, staff recommends that the Board adopt the attached Health Policy Priorities for state legislation pursuant to the strategic plan for 2009-10, and direct staff to monitor state legislative proposals on these priorities and to seek opportunities to advance the identified goals

V. STRATEGIC PLAN:

This item supports the strategic plan for the future direction of the health program.

VI. RESULTS/COSTS:

The adoption of legislative priorities will provide direction to the Office of Governmental Affairs in identifying and focusing its efforts on those issues that most impact the strategic direction of the CalPERS health program.

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Attachments